

Service Date: April 17, 1978

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

* * *

IN THE MATTER of the Application)	DOCKET NO. 6565
of the TOWN OF CHESTER for authority)	DEFAULT ORDER NO. 4411
to adopt Increased Water Rates.)	
_____)	

On February 21, 1978, the Town of Chester (Applicant) filed an application with the Montana Public Service Commission for an Order authorizing the Applicant to increase its water rates to provide revenues to pay off the overruns experienced into the two major improvement projects.

Having considered the application and the documentation furnished by Applicant in support of its application and deeming itself fully advised in the premises, the Commission makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. A notice of proposed public hearing to be held, if requested, was published in the March 16, 1978, edition of the Liberty County Times, Chester, Montana. The notice stated that if no requests for a public hearing were received by April 13, 1978, an appropriate order would be issued based upon evidence submitted with the application.

2. No requests for a hearing were received and no hearing was scheduled.

3. On January 31, 1978, the Town Council of the Town of Chester passed an emergency resolution setting water rates at the proposed level.

4. The Town alleges it suffered an overrun of \$40,502.00 on its Project I, because of very adverse conditions and contractor problems.

5. The Town alleges it suffered an overrun of \$14,549.65 on its Project II, because funds were used to rebuild the pumping station at Lake Elwell and to replace the stand pipe in the water tower.

6. The overruns are in the form of registered warrants held by the Liberty Bank of Montana in the total amount of \$55,051.65.

CONCLUSIONS OF LAW

1. The increase applied for is needed to insure continued service to Applicant's customers.

2. The resulting rate levels are reasonable and just.

ORDER

1. The following monthly rates are authorized:

Town residents-

Per month-unmetered: \$19.00

Town commercial-

Per month-metered:

First 1,000 gallons	\$12.00
Second 1,000 gallons	\$ 2.50
Succeeding 1,000 gallons	\$ 1.20

Non-town-

Per month-metered:

First 1,000 gallons	\$20.00
Second 1,000 gallons	\$ 4.00
Succeeding 1,000 gallons	\$ 2.50

Rural water line lessors

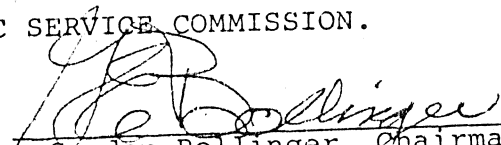
Per month-metered:

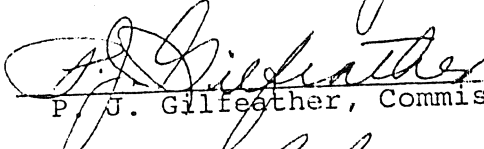
First 1,000 gallons	\$ -0-
Next 1,000 gallons	\$12.00
Next 1,000 gallons	\$ 2.50
Succeeding 1,000 gallons	\$ 1.20

. The filed tariffs shall be effective for water service rendered on and after May 1, 1978.

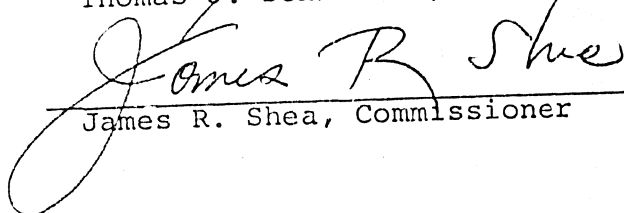
DONE IN OPEN SESSION in Helena, Montana, on April 17, 1978
by a 4 - 0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION.


Gordon Bollinger, Chairman


P. J. Gilfeather, Commissioner


Thomas J. Schneider, Commissioner


James R. Shea, Commissioner

ATTEST:



Madeline L. Cottrill
Secretary

OR
Mary Tatchell
Acting Secretary
(SEAL)

NOTICE: You are entitled to judicial review of this order. Judicial review may be obtained by filing within thirty (30) days from the service of this order, a petition for review pursuant to 82-4216, RCM 1947.